life after work®
plan to make it good.

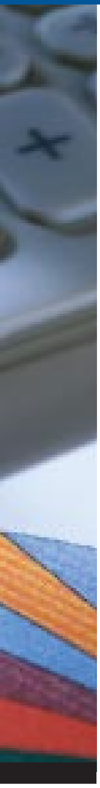
Investment Foundations

understanding
the basics of investing

It's important to choose investments for your workplace savings plan that make sense for you. And armed with some basic investment knowledge, it's a process you can easily master.

1. **Learn about the three investment building blocks: stocks, bonds, and short-term investments**
2. **Recognize how to pick the types of investments that are right for you**
3. **Select your investment options today**

Fidelity Investments®



Understanding the basics of investing

Participating in your workplace savings plan is a smart financial move. In addition to offering a vehicle to help when saving for retirement, you can:

- Lower your current income tax bill and delay paying income taxes on your contributions and any earnings until you withdraw them from the plan.
- Increase your chances for long-term success by contributing regular amounts on a consistent basis.[1]
- Choose from a variety of investment options to help meet your investment needs today and your income needs during retirement.

Once you've decided to start saving for your future through your workplace savings plan, there are a few investment basics you'll need to know.

1. learn

about the three investment building blocks: stocks, bonds, and short-term investments

Types of investments

There are three types of investments—or asset classes—you can choose from to help build a workplace savings plan portfolio that works for you. Here is a brief description of the role each of these asset classes plays in your investment success.

Asset Class	What it is	Characteristics
Stocks	Also called "equity investments," stocks are investments in individual businesses that essentially allow you to share in the ownership of a company.	• High potential for growth over long term • Increased investment risk • Performance impacted by economic factors worldwide
Bonds	When you buy a bond, you're lending money to the issuer (government, municipality, corporation, or federal agency), which then pays you back. Examples include U.S. Treasury, state, municipal, or corporate bonds.	• Increased current potential income • More stability than stocks • Some inflation protection
Short-Term Investments	These investments include money market investments, U.S. Treasury bills, and certificates of deposit. They are designed to return your money with interest, after a relatively short amount of time—usually less than one year.	• Less volatile than stocks or bonds • Lower potential for growth • Little inflation protection

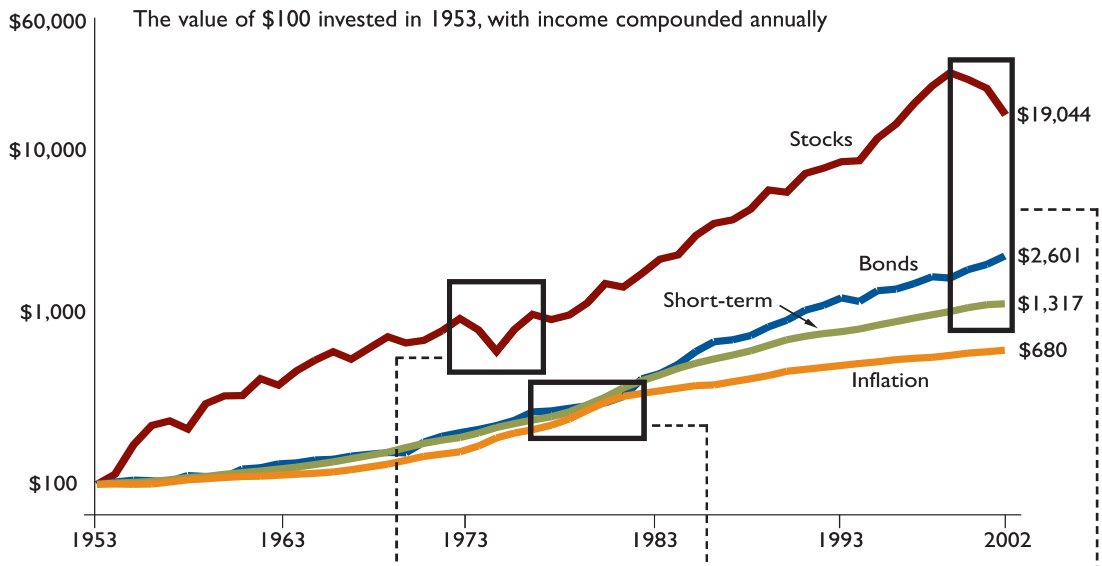
Past performance is no guarantee of future results.

[1] *Investing in this manner does not ensure a profit or guarantee against loss in declining markets. Since dollar cost averaging involves continuous investment in securities regardless of their changing price levels, you should consider your financial ability to continue your purchases even if your income level should change, or if other factors should affect your ability to continue with steady investing.*

Growth, risk, and the three basic asset classes

The chart below shows how stocks, bonds, and short-term investments have performed over the past 50 years. As you can see, the growth opportunities have been substantial over the long term.

How stocks, bonds, and short-term investments have performed over the years



A closer look at growth and risk

Investment risk
is the chance that the value of your investment will drop. Generally speaking, investments with the greatest potential for loss can also offer the greatest potential for gain. Stocks tend to be more volatile than bonds and short-term investments. Bonds involve less investment risk, and short-term investments are least risky of all. But the tradeoff for greater stability can mean significantly less growth over time.

Inflation risk
is the chance your money will not keep pace with inflation. As your money decreases in value, you lose buying power. Though short-term investments can help minimize investment risk, the returns they offer tend to barely outpace the inflation rate. Bonds offer slightly less inflation risk.

Potential growth opportunities
As the chart illustrates, stocks, bonds, and short-term investments have all delivered positive returns over time, while stocks have produced a higher rate of return overall.

Source: Ibbotson Associates, 2003 (1953–2002). Past performance is no guarantee of future results. The asset class (index) returns reflect the reinvestment of dividends and other earnings. This chart is for illustrative purposes only and does not represent actual or future performance of any investment option. It is not possible to invest directly in a market index.

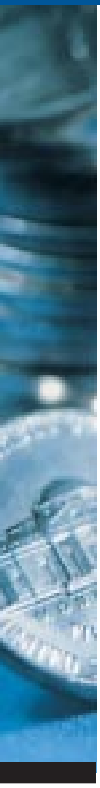
Stocks are represented by the Standard and Poor's 500 Index (S&P 500® Index). The S&P 500® Index is a registered service mark of The McGraw-Hill Companies, Inc., and has been licensed for use by Fidelity Distributors Corporation and its affiliates. It is an unmanaged index of the common stock prices of 500 widely held U.S. stocks that includes the reinvestment of dividends.

Bonds are represented by the U.S. Intermediate Government Bond Index, which is an unmanaged index that includes the reinvestment of interest income.

Short-term instruments are represented by U.S. Treasury bills, which are backed by the full faith and credit of the U.S. government.

Inflation is represented by the Consumer Price Index, which monitors the cost of living in the United States.

Stock prices are more volatile than those of other securities. Government bonds and corporate bonds have more moderate short-term price fluctuations than stocks but provide lower potential long-term returns. U.S. Treasury bills maintain a stable value (if held to maturity), but returns are only slightly above the inflation rate.



2. recognize

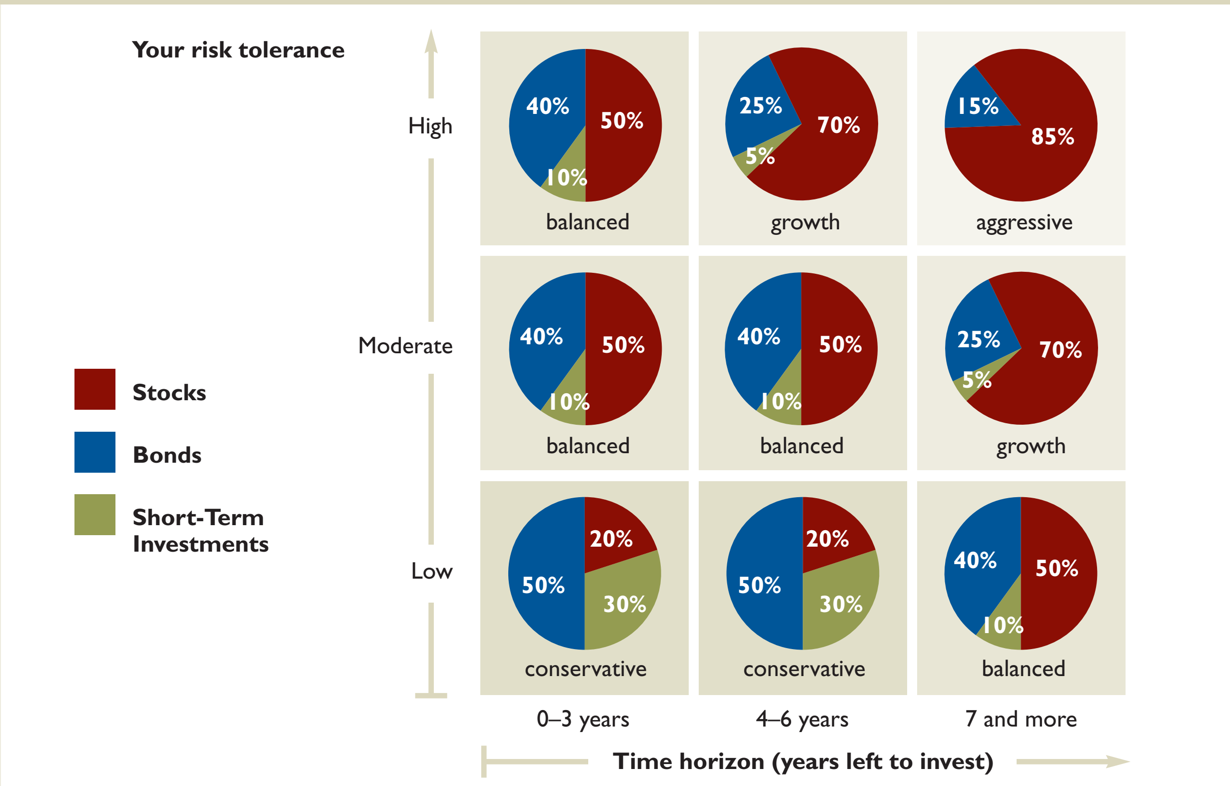
how to pick the types of investments that are right for you

Once you understand the unique features of stocks, bonds, and short-term investments, it's now time to stack those building blocks to create an asset allocation strategy. Simply put, an asset allocation strategy is choosing the right blend of asset classes for your financial situation. To come up with the best strategy, you need to factor in two things:

- Your time horizon: The number of years you have to invest.
- Your risk tolerance: Your ability or willingness to endure short-term declines in the value of your investments as you pursue your long-term investment goal.

The following asset allocation strategies show how you can combine the investment building blocks to help meet specific sets of objectives. Keep in mind that they're merely an example of how asset classes can be combined to meet particular objectives, and not intended as investment advice for your particular situation. Also, it's important to note that neither asset allocation nor diversification ensures a profit or guarantees against a loss.

Asset Allocation Strategies



The purpose of the sample portfolios is to show how portfolios may be created with different risk and return characteristics to help meet a participant's goals. You should choose your own investments based on your particular objectives and situation. Remember, you may change how your account is invested. Be sure to review your decisions periodically to make sure they are still consistent with your goals. You should also consider any investments you may have outside the plan when making your investment choices.

Asset allocation strategies

Conservative strategy
If you'll need your money within a few years, or you're uncomfortable with investment risk, you might want to pursue an asset allocation strategy that favors bonds and short-term investments.

Balanced strategy
Let's say you have a moderate tolerance for investment risk, plan to invest for more than a few years, and want to balance your investments between income and growth. An asset allocation strategy that invests half in stocks and the rest in bonds and short-term investments may be appropriate.

Growth strategy
If you have a fairly long time to invest, want to outperform conservative investments over the long term, and have a fairly high tolerance for investment risk, you may want to consider an asset mix that invests more in stocks and less in bonds and short-term investments.

Aggressive growth strategy
If you have a long time to invest, want a higher rate of return, can tolerate short-term price swings, and have a very high tolerance for investment risk, an asset mix that heavily favors stocks may be right for you.

Other strategies to consider

Investing in a 100% stock portfolio:
An all-stocks strategy may be appropriate if you're just starting to save for retirement and are seven or more years from making a withdrawal. In addition, you might already own more conservative investments, including bonds and short-term investments, that balance the short-term fluctuations that are almost certain with an all-stock strategy.

Keeping all your money in short-term investments:
This may be an appropriate strategy if you're uncomfortable with any investment risk, or planning to withdraw all or most of your workplace savings plan balance within the next two years.

For more information about building an asset allocation strategy that's right for you:

1. Log on to **www.fidelity.com/atwork**
2. Click on the Tools & Calculators tab and select Planning Calculators
3. Choose Asset Allocation Planner to help you create a successful asset allocation strategy

Contact Fidelity for a copy of "Deciding how you should invest," our Asset Allocation Planner for workplace savings plan participants. This easy-to-complete worksheet will help you decide if the asset allocation strategies above might work for you.

The advantages of mutual fund investing

Selecting mutual funds to complete your portfolio

When you participate in your workplace savings plan, you don't invest directly in stocks, bonds, and short-term investments. Rather, you invest in mutual funds, which are investments that pool your money with thousands of other investors who have similar goals. Each fund you select is managed with a goal of achieving certain objectives. For workplace savings plan investors, mutual funds provide built-in diversification, automatically spreading your money across an asset class, such as stocks, or across more than one asset class, offering additional opportunities to help balance risk and potential return. Other advantages to mutual fund investing:

- Mutual funds tend to include a large number of investments, so there's the chance that any poor performance among some of its stocks or bonds could be offset by better returns turned in by other fund holdings.
- Your fund choices are professionally managed by investment professionals dedicated to overseeing those funds.

Though it can't eliminate the possibility of risk, maintaining a balanced portfolio—by diversifying your investments—can be crucial to long-term results.

Understand the risk/return spectrum

Here is a look at the categories of mutual funds, ranked by potential risk and reward, available through your plan. Under the category listing are the asset classes into which each type of fund tends to fall. As you can see, short-term (or money market) investments and bonds are positioned well to the "lower risk/lower potential return" end of the spectrum. On the other hand, stocks occupy a wide space—ranging from moderately risky to quite risky. Your workplace savings plan allows you to find a balance of risk and potential return you can feel comfortable with.

Mutual Fund Categories

Objective: Capital Preservation
Lower Risk/Lower Potential Return

Objective: Aggressive Growth of Capital
Higher Risk/Higher Potential Return

These funds	Money Market (or Short Term)	Bond	Balanced/ Hybrid	Domestic Equity	International/ Global Equity	Sector/ Specialty
Fit into these asset classes	Short-term investments	Bonds	Stocks, bonds and short-term investments	Stocks		

Last categorization update date 03/31/2003.

This spectrum, with the exception of the Domestic Equity category, is based on Fidelity's analysis of the characteristics of the general investment categories and not on the actual investment options and their holdings, which can change frequently. Investment options in the Domestic Equity category are based on the options' Morningstar categories as of the date indicated. Morningstar categories are based on a fund's style as measured by its underlying portfolio holdings over the past three years and may change at any time. These style calculations do not represent the investment option's objectives and do not predict the investment option's future styles. Investment options are listed in alphabetical order within each investment category. Risk associated with the investment options can vary significantly within each particular investment category and the relative risk of categories may change under certain economic conditions. For a more complete discussion of risk associated with the mutual fund options, please read the prospectuses before making your investment decisions. The spectrum does not represent actual or implied performance.

A diversified portfolio in a single fund

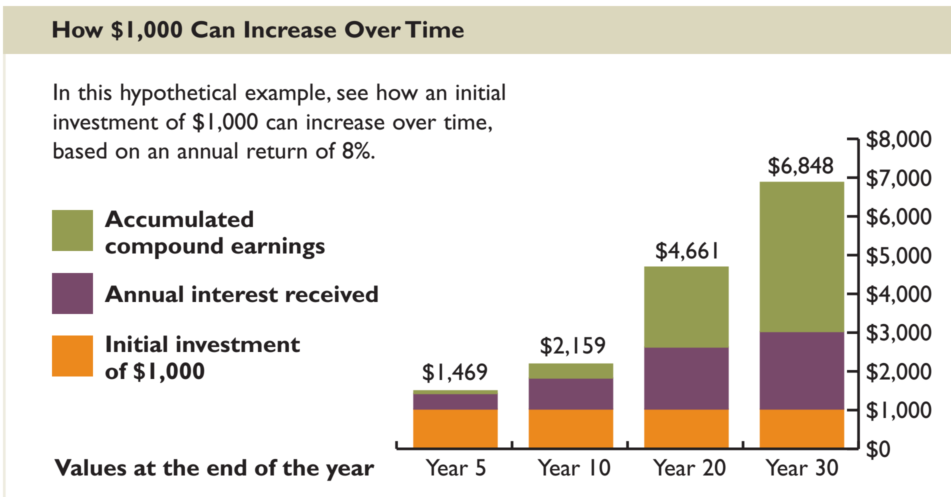
An alternative for those who don't have the time, confidence, or investment knowledge to research, create, and manage a well-diversified portfolio on their own, Fidelity Freedom Funds® can help simplify retirement investing. They are professionally managed, risk managed and automatically rebalance according to each fund's target retirement date. Review your fund offerings to see if this option is available to you.

3. select

your investment options today

Investing now could allow you to accumulate a larger nest egg than if you started later. And as the chart below shows, the difference can be dramatic. One of the reasons is compounding. Compounding is the interest that you earn on your principal investment plus earnings that investment already has. Over time, compound interest can contribute significantly to your savings. That could lead to impressive growth over time.

Experience the power of compounding



This hypothetical example is based on a single initial investment of $1,000 at the beginning of the year to a tax-deferred retirement plan and an 8% annual rate of return compounded annually. Your own plan account may earn more or less than this example, and income taxes will be due when you withdraw from your account. Investing in this manner does not ensure a profit or guarantee against loss in declining markets.

Because your workplace savings plan contributions come right out of your paycheck, you make regular investments at regular times. By helping you avoid the often costly mistake of trying to "time the market," this disciplined approach can also increase your chances of long-term success.

Choose or review your workplace savings plan investment options today.

Participating in your workplace savings plan is a very smart financial move. And while it's important to start saving for retirement and to create an investment strategy that's appropriate for you, you must also make sure you stay on track to meet your goals.

Your plan and Fidelity make it easy:

- Go on line at **www.fidelity.com/atwork** to start participating or to choose your asset allocation strategy.
- Visit NetBenefits to review your investment options and strategy.
- Or, call **1-800-343-0860** to speak to a Fidelity Retirement Services Specialist. Specialists are available Monday through Friday, 8:00 A.M. to midnight ET.

Need help?
We've got answers.
Call 1-800-343-0860
or visit
www.fidelity.com/atwork.

For more complete information about any of the mutual funds available through the plan, including fees and expenses, call or write Fidelity for free prospectuses. Read them carefully before you invest.

Past performance is no guarantee of future results.

Strategic Advisers, Inc., a subsidiary of FMR Corp., manages the Fidelity Freedom Funds.

An investment in a money market fund is not insured or guaranteed by the FDIC or any other government agency. Although money market funds seek to preserve the value of your investment at $1 per share, it is possible to lose money by investing in these funds.

Unless otherwise noted, transaction requests confirmed after the close of the market, normally 4:00 P.M. ET, or on weekends or holidays, will receive the next available closing prices.

Foreign investments, especially those in emerging markets, involve greater risk and may offer greater potential returns than U.S. investments. This risk includes political and economic uncertainties of foreign countries, as well as the risk of currency fluctuation.

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